

# Organisational Social Responsibility Performance of Selected Management Institutions

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## Abstract

The socio-economic approach to any organizational set-up demands the realization and discharge of social responsibilities along with the other economic and non economic motives. The educational institutions provide the platform for the life-long learning of the individuals and prepare them to become good citizens. The greater importance of learning is associated with the Higher education where an individual attains not only the academic knowledge but also learns the importance of conduct, ethics and values in personal and professional life. Therefore, the concept of social responsibility extends to the institutions of higher learning as well. The Management institutions reflecting the socially acceptable and ethical behavior make student the better humans and the better future managers. The objective of this paper is to analyze the social responsibility performance of the selected management institutions. It also attempts to reflect the initiatives taken by these institutions to discharge their social responsibilities and various dimensions of the social work, social justice and social cause promoted by these Institutions. The study is based on the primary data collected through the questionnaire administered to the MBA students and teachers of the selected institutions.

**Keywords:** *Social Responsibility, Management, Organisation, Performance, Society.*

## 1. Introduction

Social responsibility implies the development of positive and healthy relationship with the society. For an organization, it involves the adoption of the behaviour which is ethical, moral and responsive to the needs of society. Among the numerous responsibilities

shouldered by any organization, the Social responsibility holds the greater importance. In order to be socially responsible, an organization needs to be concerned and sensitive to the social, cultural and environmental issues of the surroundings where it is operating. Carrol (1991) viewed the social responsibility of the business as the discharge of four responsibilities- economic, legal, ethical and Philanthropic. These responsibilities are not mutually exclusive and therefore these must be discharged simultaneously. Economic Performance is must as it is the foundation for every other responsibility. A company needs to make profit with in legal permissions, following ethical behaviour and be a good social element. The need to be socially responsible lies in the law of interdependence. No organization or individual can grow in isolation in this world. The interdependence of society, individual and the environment creates the basic sense of mutual concern for each other. The business world has well recognized the concept of social responsibility and its practices from the last few years. Over the years, companies following the implementation of Corporate Social Responsibility (CSR) have realized it to be one of their very effective business strategy and valuable proposition to be profitable, build corporate reputation and be competitive. CSR, as a strategic practice, is a key to organizational success because it is one of few practices that can positively impact all three elements of the Triple Bottom Line- Economic, Social, Environment, contributing to a healthy bottom line and long term sustainability (Muhammed Shafi, 2014).

With the rising globalization and privatization, the companies are becoming more and more concerned about being socially good and survive in the complex and competitive environment. There is shift from running only after profits approach to engaging in social activities. The effective discharge of socially responsible behaviour demands that it must not alone be seen as the legal & ethical requirement or the corporate philanthropy but all.

## 2. Social responsibility and Higher Education

The process of human development begins in the educational institutions. The primary education aims at enabling the person to read, write and understand the knowledge of various fundamentals of intelligence. Higher education cultivates the higher level of skills in the individuals like critical thinking, problem solving, attaining specialized knowledge of specified fields, etc. An individual's life-long learning process starts at the attainment of higher education, where one not only learns the employability and professional skills for the job but also learns the desirable social, ethical & legal behaviour and conduct. Education is a tool that can be used to ensure the social, cultural, economic, ecological and political justice to people irrespective of the class, religion, gender, age and ethnicity. The education can be put at the service of desired social creation and transformation. Education is usually related with the intellectual cultivation of the student. The students must be encouraged to solve the social issues proactively and be committed to transform the society for betterment. The educational institutions develop the future citizens of the country and therefore hold the responsibility to encourage students to realize the very essence of education and work for the development and welfare of the society and environment. The discipline oriented education in the institutions needs to be accompanied by the social learning, community learning, Civic education and the awareness of social issue and responsibility. Such learning demands the changes in academic curriculum; changes in teaching pedagogies; Organization of social programmes, awareness campaigns, service driven events and environmental awareness; encouraging student's and faculty's involvement in such events. Education itself is an important ingredient of determining the social progress. The institutions by engaging in socially responsible activities like providing free or concessional education to poor and vulnerable sections of society, organizing awareness campaigns, blood donation camps, etc. and

encouraging students' involvement can increase the students learning from just academic learning to the social learning as well. Also, the impact of the social activities performed by the educational institutions is very effective and long. And the community engagement learned by the students in the formative years last long in their minds. Some educational institutions are individual centric and focus on developing the students as an individual for the employment purpose alone. There is need to attain balanced performance of the two conflicting goals of higher education- Social development and social justice on one hand and individual prosperity on the other hand.

### 2.1 Social Responsibility and Privatization of Higher education

The process of liberalization like in other countries of the world extended to education sector in India as well. The rapid expansion of privatization since 1990s in Higher education in the country has led to increased competition in the sector. The entrepreneurial behavior is expected of the universities and institutions to survive and grow in this highly competitive sector. The educational organizations now recognize the significance of the corporate reputation and identity. CSR can be used as an effective tool to progress, sustain in competition, and attract quality students and quality teachers. The process of globalization has also embraced the education sector. So, the competition is not only with the domestic providers but also the international providers as well. This strategic change in academia is now creating its own ambiguity to the institutions that are not accustomed thinking and acting strategically (Goia and Thomas, 1996).

### 2.2 Social Responsibility and Management Institutions

Knowledge is seen as the most effective and powerful driver of social and economic change and progress in the nation. The higher education holds the greater importance for the effective creation, dissemination and application of knowledge (Taylor, 2014). An inclination of curriculum and activities to the social responsibilities however does not apply to the management discipline alone but also to all other disciplines like natural sciences, arts, etc. The Business Schools (B-Schools) however have an important role in the production of the socially responsible managers

who will head and administer the corporations which are the building blocks of the economy of the nation. Management students in their professional life will actually have to consider the social responsibility practices while setting the goals, monitoring the organizational objectives and performing the operations of the business. The management and the working of the organization should reflect the ethical and socially responsible behavior to do well, to ensure good public image and fight competition. An effective integration calls for the inclusion of subjects on Social responsibility- citizenship, multiculturalism, peace building, conflict resolution and sustainable development in the main curriculum, embedding the concepts of social responsibility in the core subjects, involvement of faculty and students in social responsibility activities, giving credits both to students and faculty for their contribution in discharge of social responsibility. Following these practices involve a paradigm transformation of the academic curriculum, assessment systems and methods of assignments and projects in the course of study. The curriculum development process is usually the responsibility of few on the top of the hierarchy- senior, elite, experienced persons of the educational body. Therefore it is must that those responsible for the curriculum development remain updated and make the desired changes in the curriculum to meet the needs of changing demands. It is also necessary that the faculty which will actually be teaching the students are offered the refreshers courses and are enabled to develop the in-depth understanding of the subjects and their association with changing business environment. The institution should also involve itself in the social awareness activities and service driven activities so that it can discharge its twin responsibilities- students' social development and fulfilling social obligations.

### 3. Material and Methods

A small survey has been conducted to find the social responsibilities performed and the activities and initiatives undertaken by the Institution of Higher Education in order to discharge their social responsibility and also that how often are the social responsibilities activities performed by their Management Institutions as per the perception of the their students and faculty.

#### 3.1 Research Methodology

The study is based on the primary data collected by using the structured questionnaire. The respondents includes the Management students and teachers of the selected the B-Schools in and around Chandigarh. Two management schools were selected from the government/public managed and two from privately managed. From the review of literature, six areas were identified where an educational organization can work for and promote the involvement of student and faculty in discharge of social responsibility. The questionnaire was constructed to evaluate the performance of the Management institution on these six identified areas and to know what kind of and how often social services and awareness activities are performed and promoted by these institutions.

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#### Higher Education Institution and Performance of Social Responsibility

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- Promotion of social awareness.
  - Performance of social services.
  - Promotion of student and faculty involvement.
  - Corporate Social Responsibility Awareness.
  - Social initiatives undertaken for students.
  - Social initiatives undertaken for faculty.
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For the purpose of study, the data has been collected from students (20) and faculty (10) of each of the 4 selected B-schools. The data for the frequency of activities performed by the B-schools for the promotion of social awareness, provision of social services and involvement of faculty and students has been collected using even numbered likert scale (Never, Sometimes, Often and Very Often) and the data so collected was analyzed through the use of average scores obtained from the summated scores. The data collected for the promotion of awareness of CSR and social initiatives undertaken for students and faculty by the Management institutes has been analyzed using percentages and presented through the tables.

### 4. Results and Discussion

#### A. Promotion of Social Awareness

An Institute of Higher Education can make a contribution towards the society by organizing the awareness campaigns, events, seminars, etc. Such activities can be organized for spreading the knowledge of diseases like AIDS, Tuberculosis, etc. or for the awareness of social problems like population

control, corruption, Anti-Ragging laws, etc. The data collected showed that the educational organizations being student centered are more often involved in conducting the Anti- Ragging campaigns than any other social awareness activities. The comparative analysis of the perception for the frequency of events for promotion of social awareness, both students and faculty of the selected b-schools, showed that the Private Management Institutions performed better than the Public Management Institutions.

#### B. Performance of Social services

The higher education organizations can play a great role to serve the society by indulging in various social and ecological activities like disaster management, global warming, assistance to old age homes and orphanages, prevention of child abuse and child labour, women empowerment and associating with the NGO's and society clubs for promoting number of social causes along with their major social goal of 'Promoting Education'. The comparative analysis of the perception of students and the faculty for the frequency of associations, initiatives and activities arranged for the provision of services to the society showed that the Private Management Institutions engage themselves more in the social activities and arrange for providing services to the societies like Environment Protection, Disaster Management and involves actively with NGO's and clubs to work for the different social issues.

#### C. Promotion of Student and Faculty Involvement

The students and the faculty members are the key stakeholders of the educational institutions. A B-School has the responsibility to produce the socially responsible managers along with good citizenship behavior. A student learns a lot from the academic curriculum designed by highly educated and experienced academicians. But a major part of knowledge is acquired from the things actually put into practice by the students. The Institutions should involve the faculty and the students in the social awareness activities and social services provided by them. Such involvement can be increased on the part of the students by including it as a part of their performance assessment system. And that of faculty by including contribution to the social responsibility activities as one dimension for their performance appraisal. The comparative analysis of the perception of students for the promotion of the involvement of students and faculty in the social awareness and social

activities found it better for Private Management Institutions. However the results for the perception of the faculty found the involvement of faculty and students in social awareness and service activities to be almost similar for the Public/Government Management Institutions with Private institution on little higher side.

The analysis of overall performance of the Management Institutions revealed that these organization work for the social causes – awareness, social services and involve their faculty and students actively in such awareness and the service activities. Such conscious attempts not only serve the society at present but also prepare the students to be good and socially responsible citizens. The organizations however have the potential to contribute more for the society by engaging more frequently in activities involved in spreading knowledge and providing solutions to the medical, social, and ecological issues faced by the society.

#### D. Corporate Social Responsibility Awareness

With the legal binding for the corporate houses to be socially responsible, meet all legal requirements, spend certain amount for societal work, the managers need to have the knowledge of related laws, social issues and the ways by which the organization can discharge its social responsibility. The management institutions can create the awareness of Corporate Social Responsibility concepts and issues by participating and conducting seminars, events and workshops, including CSR in mainstream of academic curriculum and aligning the core subjects with concepts and issues of Corporate Social Responsibility. The results showed that the Public Management Institutions are performing better than the Private Management Institutions as far as the curriculum is concerned. A comparatively higher percentage of the respondents from the Public institutions agree that their academic curriculum consist subjects on CSR and core subjects include the concepts and issues of CSR. But the percentage of Students and Faculty are not very high to draw a strong conclusion. The reason may be only certain subjects are aligned to the CSR and not all.

#### E. Social Initiatives for the Students

Students are the most important stakeholders of any educational institution. An organization must inculcate the social, ethical and moral values among its students to become good citizens. An educational institution, in order to ensure equality and accessibility to all must

make the arrangements for the provision of the financial assistance to the poor students and Merit scholarships to the meritorious students. It must provide admissions to the students from the vulnerable sections of society and ensure diversity in admission process to encourage multiculturalism, unity and integrity. According the data, it is observed that the Public Management Institutions performed better with regard to social initiatives towards the students.

### F. Social Initiatives for the Faculty

The institutions should provide opportunities to the teachers from all walks of life- different areas, regions, communities, religion, etc. An institution has certain obligation towards the faculty and therefore certain behaviour is expected by the institution to make the relation with faculty strong and lasting. Reflecting the good Corporate Social responsibility behavior, ensuring equality, diversity in recruitment and selections process, taking the initiatives to promote the interest of faculty- providing medical facilities, child care facilities, child education, etc. promotes the goodwill of the institution. The good corporate social responsibility practices can helps the institution in attaining the best faculty and quality researchers for the organization which further add value to the reputation. The results showed that both the Private and the Public Management Institutions' process of recruitment and selection reflect the diversity in terms of region, religion, castes. The respondent's from Public institutions have agreed highly on the socially responsible behavior with regard to the provision of Medical, child care and maternity facilities to the faculty by their institution. However, the respondents of the private sector have not agreed much to the provision of Medical, child care and maternity facilities to the faculty by their institution.

## 5. Tables and Figures

Table 1: Average Scores of the Perception of Faculty for their respective B-Schools

Type of Institution	Average Scores		
	Social Awareness	Service to the Society	Student and Faculty Involvement
Public	2.45	1.78	2.28
Private	3.10	2.74	3.43
Overall	2.78	2.26	2.85

Average Score			
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Table 2: Average Scores of the Perception of Students for their respective B-Schools

Type of Institution	Average Scores		
	Social Awareness	Service to the Society	Student And Faculty Involvement
Public	1.92	2.12	2.67
Private	2.64	2.68	2.85
Overall Average Score	2.28	2.40	2.76

Table 3: Respondents agreeing to the CSR awareness provided by their Institute.

Type of Institution	Type of Respondents	a) Participation in CSR Awareness Activities (%)	b) Inclusion of CSR in academic curriculum (%)	c) Alignment of CSR concepts and Issues with core subjects (%)
Public	Students	80.00	96.67	76.67
	Faculty	90.00	90.00	50.00
Private	Students	100.00	63.33	50.00
	Faculty	90.00	90.00	30.00

Table 4: Respondents agreeing to the social initiatives undertaken by their Institute for the Students.

Type of Institution	Type of Respondents	a) Provision of Merit scholarships and financial assistance to students (%)	b) Admission to the students from vulnerable sections of society (%)	c) Diversity in admission process. (%)
Public	Students	83.33	96.67	96.67
	Faculty	90	100	100
Private	Students	56.67	93.33	86.67
	Faculty	70	70	80

Table 5: Respondents agreeing to the social initiatives undertaken by their Institute for the faculty.

Type of Institution	a) Diversity in Recruitment and Selection Process (%)	b) Provision of Medical facilities by the institution (%)	c) Provision of Child care and Maternity Facilities by the institution (%)
Public	100	100	100
Private	100	20	40

## 6. Conclusions

The concept of corporate social responsibility has gained huge importance. In the era of privatization of higher education, where the management education has seen a quantum jump and the private sector has emerged as a major provider in the management education, the concept of CSR is expected to be embraced by the education sector as well. Socially responsible behaviour develops the positive and healthy relationship with the stakeholders and improves the reputation. An empirical study conducted to find the social responsibility performance of the four selected Management Institutes, two each from Public and Private sector B-Schools on six parameters identified from the review of Literature. It was found according to the perception of the respondents that the Private Management Institutions are performing better than Public Management Institutions as far as the activities for the promotion of social awareness, social services and encouragement of student and faculty involvement are concerned. Whereas according to the perception of the respondents, Public/Government Management Institutions are performing better in knowledge creation and dissemination of CSR, social initiatives for the students and social initiatives for the faculty. The Management Institutions being part of the Education sector are the social institutions and have huge potential to contribute more towards the society and environment.

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